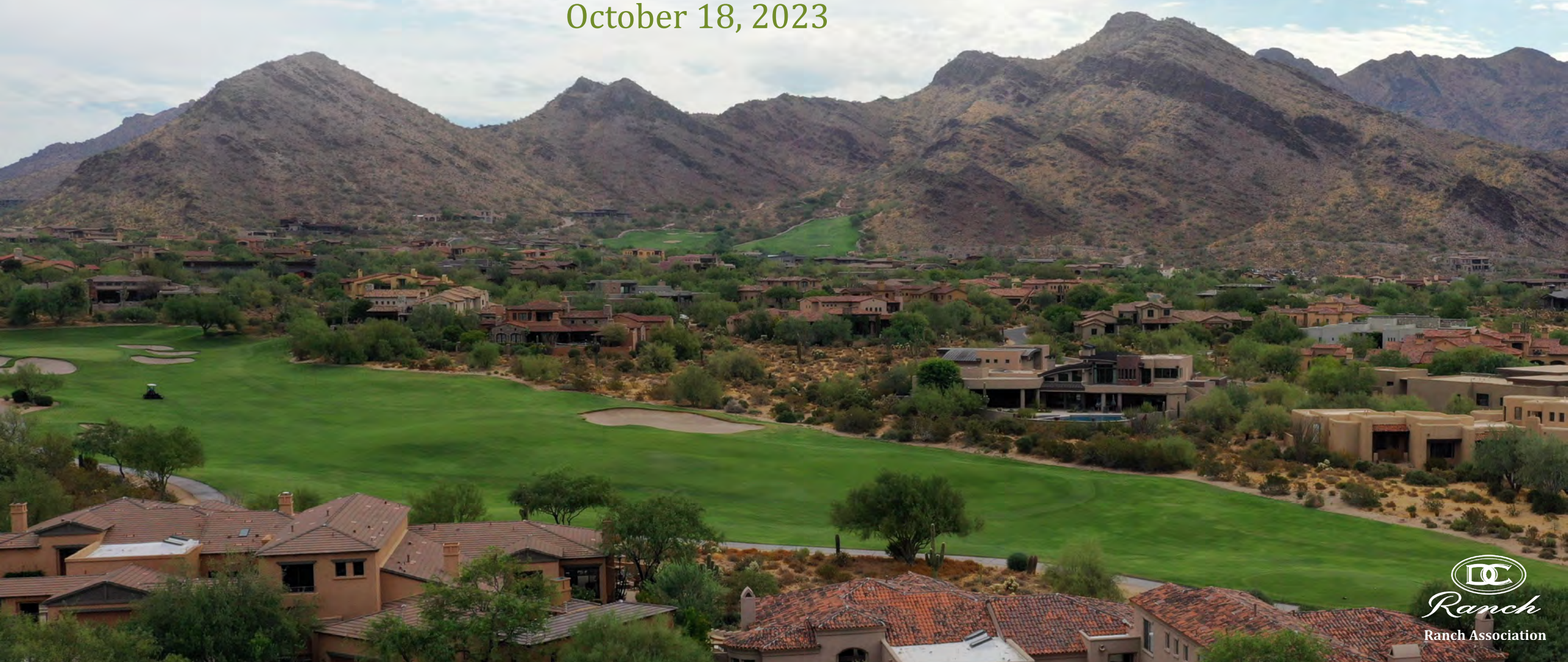


DC Ranch Association 2024 Budget Presentation

October 18, 2023



Meeting Agenda

- Call to order
- Roll Call / Establish Quorum
- 2024 Proposed Operating Budget
- 2024 Reserve Funding Plan
- Assessment Adjustments for FY 2024

Roll Call

- Phil Geiger – President
- Greg Kiraly – Vice President
- Marla Walberg – Secretary
- John Shaw – Treasurer
- Elaine Cottey – Director
- Iryna Sukhovolets – Director
- Don Matheson – Director



Three Entities-Three Budgets-One Vision

Community Council	Ranch Association	Covenant Commission
<p>Mission is to facilitate a connected and welcoming community that instills pride and a sense of belonging in each resident through initiatives that enhance quality of life, promote the brand, and make DC Ranch a special place to live and work.</p>	<p>Mission is to serve DC Ranch stakeholders through professional management and protection of the community's fiscal and environmental assets. RA delivers high quality operations that result in sustained property values and exceptional quality.</p>	<p>Mission is to ensure quality design and to maintain harmony with our desert environment. They establish guidelines for landscape and architecture for resident and commercial properties and conduct design review, inspection, approvals.</p>
<ul style="list-style-type: none"> • Brand management • Commercial center oversight • Communications • Community centers • Events, programs, clubs • Financial operations • Liaison to the greater Scottsdale community • New resident welcome • Paths, Trails, Market Street Park • Strategic Planning 	<ul style="list-style-type: none"> • 44 Neighborhood Voting Members • Community elections • Community standards administration • Financial operations • Landscape and maintenance of common areas • Liaison to real estate agents • Non-custom home modifications • Community patrol and gate access 	<ul style="list-style-type: none"> • Architect and builder relations • Commercial building and landscape design review • Commercial modifications • Custom home and landscape design review • Custom home modifications
<p>Council is a 501c4 nonprofit entity with no members. A 7-member board sets policy and hires the executive director. Directors are self-elected with 3-year staggered terms, term limits, and 2/3 of directors must be property owners or residents. One director is a Covenant Commissioner.</p>	<p>RA is a 501c4 and an HOA that operates under the Planned Communities Statutes. Every residential unit or lot in DC Ranch has one membership in the Association. A 7-member board sets policy and hires the executive director. Directors must be DC Ranch property owners or residents. Board is elected by NVMs who are elected by owners.</p>	<p>The Commission is self-appointed.</p>

Operating, Neighborhood and Reserve Funds

- Operating Funds-Staff for Community Standards, Modifications, Administrative, Landscaping and Maintenance staff. Total of 43 staff, one new staff for Landscaping for Firewise maintenance, absorbing Covenant Commission staff (phased 3-year plan with Covenant Commission offset through management agreement), benefits, professional development.
- Neighborhood Funds-Typical expenses include: landscaping, maintenance, utilities, community patrol, gate access for manned gates.
- Reserve Funds-Typical reserve expense categories include: roads, washes/culverts, park structures/equipment, sidewalks, mailbox kiosks, light poles, gate equipment, Firewise clearing.
- Desert Camp Site Improvement Project is not a Ranch Association and project, and no assessments will go toward this project.
- Legacy at DC Ranch currently pay Ranch master assessments and will have their own neighborhood and reserve budget in 2025.

Historical Assessments Snapshot



Ranch Association Consolidated

	<u>2024</u>	<u>2023</u>	<u>Change \$</u>	<u>Change %</u>
Operating Assessment	\$ 8,355,976	\$ 7,612,654	\$ 743,322	9.8%
Reserve Contribution(s)	2,189,964	2,017,248	172,716	8.6%
Capital Contribution(s)	25,000	-	25,000	0.0%
Equity Adjustment(s)	-	41,858	(41,858)	-100.0%
Total Assessment	<u>\$ 10,570,940</u>	<u>\$ 9,671,760</u>	<u>\$ 899,180</u>	<u>9.3%</u>
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating Assessment	\$ 6,591,470	\$ 6,258,217	\$ 5,906,151	\$ 5,732,979
Reserve Contribution(s)	1,869,000	1,725,780	1,524,204	1,426,116
Capital Contribution(s)	25,000	25,000	-	-
Equity Adjustment(s)	(7,638)	(43,908)	(33,480)	-
Total Assessment	<u>\$ 8,477,832</u>	<u>\$ 7,965,089</u>	<u>\$ 7,396,875</u>	<u>\$ 7,159,095</u>

The Bottom Line



Expense Notables

- Staff costs (including temporary labor) increased by 20% over current year budget, to account for the addition of four (4) FTEs, raises and benefit premium increases. A comprehensive salary and benefit survey was completed this year to guide wage adjustments and benefit offerings. *Employee costs remain static at 31% of total budget.*
- Reserve contributions increased by 8.6% overall per the current repair and replacement schedule. A third-party audit was conducted in 2023; an analysis on road replacement will be completed in 2024.
- A \$25,000 contribution to the Capital Fund is currently budgeted in 2024, which would provide funding for the purchase of land for the maintenance yard.
- Management fee expense (net) decreased \$61k Y/Y. Two FTEs primarily allocated to Covenant Commission work were moved from Council to Ranch staff and other shared services were reallocated to streamline contracts and vendor payments in 2024.
- Fleet costs increased 7% for vehicle leases and fuel costs.
- Utilities reflect no change for the budget Y/Y. Figures were overestimated in 2023; the 2024 budget reflects actual costs plus a 10% rate increase passed on by providers.
- Landscape and Maintenance supplies and services are forecast to increase an average of 12%.

Expenses – cont'd

- CPGA expenses are increasing 5% over the current year budget and current year actuals. Efforts continue to minimize the impact of CPGA costs (ex. operations changes to reduce FTEs).
- GL/Prop insurance premiums for 2024 are forecast with an average 5% decrease over 2023 budget figures; 8% increase over 2023 actuals.

Revenue Notables

- Assessments increasing 9.3% over the current year.
- Other revenue (fines, fees etc.) forecast to decrease \$17k or 3% as compared to current year budget.

Overall

- Total Expense increase is 10.4% over 2023 budget.
- As the community ages, the schedule for work replacement, and with 54 miles of roads, the funding for repair, maintenance and replacement becomes a very large expense.
- Ranch Association, Community Council and Covenant Commission partner to share costs to create efficiencies and maximize cost savings through the management fee agreement. The items included result in a zero net effect to the bottom line for each entity.

Operating Cost Centers

(listed in order of budget dollars)

- Community Patrol/
Gate Access
- Landscape
- Facilities
- Administration/HR
- Community
Standards
- Utilities
- Fleet
- Taxes/Insurance
- Information Technology
- Communications/
Community Relations

Reserve Funds

- What is a reserve fund? A savings account to meet any future costs for repair and replacement of the Association's major common area components.
- What does "percent funded" mean: The percent funded means that funds needed to handle repairs/replacement are funded.
- Industry Standards:
 - 70-100% Strong
 - 31-70% Fair
 - Under 30% Weak
 - DC Ranch Association standard is 75% funding levels.
 - Funding for each asset replacement is from the date the item is put into service through its life expectancy. Sometimes assets will have a shorter life span than anticipated, and sometimes assets will gain a longer life span and a project can be deferred into a future time schedule.
 - The Fully funded balance is the computed value of the deterioration of the association's common area assets, multiplying the fractional age of each component by its current estimated replacement cost.
- Reserves at 30% funded have a high risk of needing additional funding to bridge the gap between funds available and the cost of the needed expenses. Other option: defer projects until sufficient funds can be obtained to complete the project.
- The percentages help Budget and Finance Committee and the Board to gauge the strength of the reserve balance at a particular point in time. Percent funded will change each year as the Reserve Balance and Fully funded balance fluctuates.

2024 Reserve Fund-Background/Factors

- A third-party vendor has been contracted to conduct a full study of each road project in each neighborhood.
 - Life expectancy of roads are not meeting what was anticipated
 - Costs for road maintenance is substantially higher than scheduled
 - Funding gap is being recognized in some neighborhoods and we are developing a plan to address the neighborhoods that are impacted much sooner.
- Detailed site inspections and cost estimate adjustments are resulting in many updates.
- Reserve funding schedules for future years are only estimates and are subject to change due to cost, deferral and scheduling factors.
- Anticipated grant funding to offset Firewise costs.

2024 Reserve Fund-Component Life Cycles

- Roofs
 - Flat Roofs – 20 years
 - Sloped Roofs – 25 years
- Painting
 - Wood/Metal Surfaces – 5 years
 - Stucco Surfaces – 10 years
 - Shotcrete Staining – 10 years
 - View Fencing – 10 years
- Gate Equipment
 - Gate Operators – 15 years
 - Gate Cameras – 5 years
- Streets
 - Sealcoating – 2 years, and every 4 subsequent years
 - Paving – 20-25 years (depending on traffic load)
- Cluster mailboxes – 10 years
- Landscape Controllers – 10 years
- Playground Equipment – 10 years (repairs are all that are reserved, not replacement)
- Park furniture – 6 years
- Playground soft surface – 10 years

DC Ranch Association Consolidated Operating Budget



2024 Consolidated Operating Budget				
2888 Units				
	2024	2023	\$ Variance	% Variance
ASSESSMENT	\$ 10,570,940	\$ 9,671,754	\$ 899,186	9.30%
TOTAL REVENUE	<u>11,309,469</u>	<u>10,285,800</u>	<u>1,023,669</u>	<u>9.95%</u>
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	\$ 2,782,803	\$ 2,641,364	\$ 141,439	5.35%
<i>LANDSCAPE</i>	2,212,446	1,974,622	237,824	12.04%
<i>FACILITIES</i>	986,390	951,617	34,773	3.65%
<i>ADMINISTRATION/HR</i>	905,100	773,204	131,896	17.06%
<i>COMMUNITY STANDARDS</i>	850,247	545,714	304,533	55.80%
<i>UTILITIES</i>	635,227	637,363	(2,136)	-0.34%
<i>FLEET</i>	268,220	250,005	18,215	7.29%
<i>TAXES/INSURANCE</i>	217,001	229,325	(12,324)	-5.37%
<i>IT/MIS</i>	214,946	200,180	14,766	7.38%
<i>COMM REL/COMMUNICATIONS</i>	22,125	23,300	(1,175)	-5.04%
TOTAL OPERATING EXPENSES	<u>\$ 9,094,505</u>	<u>\$ 8,226,694</u>	<u>\$ 867,811</u>	<u>10.55%</u>
<i>RESERVE CONTRIBUTION</i>	2,189,964	2,017,248	172,716	8.56%
<i>CAPITAL CONTRIBUTION</i>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>0.00%</u>
TOTAL EXPENSES	<u>\$ 11,309,469</u>	<u>\$ 10,243,942</u>	<u>\$ 1,065,527</u>	<u>10.40%</u>
NET REVENUE (LOSS)	<u>\$ -</u>	<u>\$ 41,858</u>	<u>\$ (41,858)</u>	



The Sixteen (16)
Neighborhoods
& Ranch Master
Association
in Detail

Ranch Master Operating Budget



Ranch Master Association				
2888 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 136.70	\$ 124.10	\$ 12.60	10.2%
REVENUE	5,429,343	4,868,013	561,330	10.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	1,191,270	1,234,235	(42,965)	-3.6%
<i>LANDSCAPE</i>	1,066,932	922,690	144,242	13.5%
<i>ADMINISTRATION/HR</i>	895,100	773,204	121,896	13.6%
<i>FACILITIES</i>	562,494	536,876	25,618	4.6%
<i>COMMUNITY STANDARDS</i>	850,247	545,714	304,533	35.8%
<i>FLEET</i>	268,220	250,005	18,215	6.8%
<i>IT/MIS</i>	128,962	122,944	6,018	4.7%
<i>TAXES/INSURANCE</i>	110,165	125,705	(15,540)	-14.1%
<i>UTILITIES</i>	83,564	76,886	6,678	8.0%
<i>COMM REL/COMMUNICATIONS</i>	22,125	23,300	(1,175)	-5.3%
TOTAL OPERATING EXPENSES	5,179,079	4,611,559	567,520	11.0%
<i>RESERVE CONTRIBUTION</i>	225,264	207,936	17,328	7.7%
<i>CAPITAL CONTRIBUTION</i>	25,000	-	25,000	
TOTAL EXPENSES	5,429,343	4,819,495	609,848	11.2%
NET REVENUE (LOSS)	\$ -	\$ 48,518	\$ (48,518)	0.0%
2024 RANCH MASTER ASSESSMENT/MO.		2023 Amount	Change Y/Y	
2024 Ranch Master Assessment	\$ 136.70	\$ 124.10	\$ 12.60	increase

2024 Reserve Fund Notables

Ranch Master

- Technology \$8,600
- Tunnel Cameras \$20,600
- Street Sign replacement \$44,000
- Replace 4 Landscape Kubotas \$90,000

Desert Haciendas Operating Budget



1.11 Desert Haciendas				
87 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 176.20	\$ 164.80	\$ 11.40	6.9%
REVENUE	\$ 183,948	\$ 172,737	\$ 11,211	6.5%
EXPENSES				
<i>LANDSCAPE</i>	55,151	51,626	3,525	6.8%
<i>UTILITIES</i>	22,224	21,303	921	4.3%
<i>FACILITIES</i>	14,776	14,145	631	4.5%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,752	3,816	(64)	-1.7%
TOTAL OPERATING EXPENSES	105,648	99,657	5,991	6.0%
<i>RESERVE CONTRIBUTION</i>	78,300	73,080	5,220	7.1%
TOTAL EXPENSES	\$ 183,948	\$ 172,737	\$ 11,211	6.5%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 176.20	\$ 164.80	\$ 11.40	increase
Ranch Master Association Assessment	136.70	124.10	12.60	increase
2024 Total Ranch Assessment/Mo.	\$ 312.90	\$ 288.90	\$ 24.00	increase

2024 Reserve Fund Notables

Desert Haciendas

- Firewise Clearing \$73,400
- Road Management Consulting \$1,494
- Street Sign Replacement \$6,645

Terrace Homes West Operating Budget



1.13 Terrace Homes West				
74 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 145.25	\$ 126.50	\$ 18.75	14.8%
REVENUE	\$ 128,978	\$ 112,767	\$ 16,211	14.4%
EXPENSES				
<i>LANDSCAPE</i>	39,130	30,306	8,824	29.1%
<i>FACILITIES</i>	14,456	12,165	2,291	18.8%
<i>UTILITIES</i>	12,551	12,293	258	2.1%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,812	3,600	212	5.9%
TOTAL OPERATING EXPENSES	<u>79,694</u>	<u>67,131</u>	<u>12,563</u>	<u>18.7%</u>
<i>RESERVE CONTRIBUTION</i>	49,284	45,636	3,648	8.0%
TOTAL EXPENSES	<u>\$ 128,978</u>	<u>\$ 112,767</u>	<u>\$ 16,211</u>	<u>14.4%</u>
NET REVENUE (LOSS)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 145.25	\$ 126.50	\$ 18.75	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 281.95	\$ 250.60	\$ 31.35	<i>increase</i>

2024 Reserve Fund Notables

Terrace Homes West

- Street Sign Replacement \$5,378
- Mailbox Replacement \$30,000
- Road Management Consulting \$765

Park & Manor Operating Budget



1.17 Park & Manor				
165 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 126.85	\$ 111.05	\$ 15.80	14.2%
REVENUE	\$ 251,164	\$ 220,713	\$ 30,451	13.8%
EXPENSES				
<i>LANDSCAPE</i>	62,721	62,306	415	0.7%
<i>FACILITIES</i>	25,503	23,248	2,255	9.7%
<i>UTILITIES</i>	24,643	25,436	(793)	-3.1%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,812	3,840	(28)	-0.7%
TOTAL OPERATING EXPENSES	126,424	123,597	2,827	2.3%
<i>RESERVE CONTRIBUTION</i>	124,740	97,116	27,624	28.4%
TOTAL EXPENSES	\$ 251,164	\$ 220,713	\$ 30,451	13.8%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 126.85	\$ 111.05	\$ 15.80	increase
Ranch Master Association Assessment	136.70	124.10	12.60	increase
2024 Total Ranch Assessment/Mo.	\$ 263.55	\$ 235.15	\$ 28.40	increase

2024 Reserve Fund Notables

Park & Manor

- Street Sign Replacement \$9,483
- Park Plant Pots \$1,237
- Mailbox Replacement \$30,912
- Road Management Consulting \$1,932

Country Club Operating Budget



Country Club				
568 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 180.00	\$ 166.15	\$ 13.85	8.3%
REVENUE	\$ 1,245,440	\$ 1,149,894	\$ 95,546	8.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	579,528	520,840	58,688	11.3%
<i>LANDSCAPE</i>	179,621	159,994	19,627	12.3%
<i>UTILITIES</i>	83,187	90,126	(6,939)	-7.7%
<i>FACILITIES</i>	64,488	62,550	1,938	3.1%
<i>IT/MIS</i>	15,204	11,860	3,344	28.2%
<i>INSURANCE</i>	1,356	1,548	(192)	-12.4%
TOTAL OPERATING EXPENSES	923,384	846,918	76,466	9.0%
<i>RESERVE CONTRIBUTION</i>	322,056	302,976	19,080	6.3%
TOTAL EXPENSES	\$ 1,245,440	\$ 1,149,894	\$ 95,546	8.3%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 180.00	\$ 166.15	\$ 13.85	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 316.70	\$ 290.25	\$ 26.45	<i>increase</i>

2024 Reserve Fund Notables

Country Club

• Asphalt Pavement Repair/Crack Fill/Sealcoat	\$155,869
• Sealcoat	\$210,396
• Common Wall Stucco Painting	\$32,767
• East/West Gate Guard House Interior Refurbishment	\$61,824
• Gate Cabling/Conduit replacement	\$24,730
• Guard House Painting	\$8,103
• Road Management Consulting	\$9,737
• Street Sign Replacement	\$20,248
• Gate Operators	\$30,000

The Estates Operating Budget



1.18 The Estates				
111 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 98.50	\$ 83.50	\$ 15.00	18.0%
REVENUE	\$ 131,220	\$ 118,332	\$ 12,888	10.9%
LESS: EQUITY ADJUSTMENT	-	(6,660)	6,660	0.0%
TOTAL REVENUE	\$ 131,220	\$ 111,672	\$ 19,548	17.5%
EXPENSES				
LANDSCAPE	40,494	34,069	6,425	18.9%
FACILITIES	20,640	18,536	2,104	11.4%
UTILITIES	13,941	13,496	445	3.3%
COMM PATROL & GATE ACCESS	9,745	8,767	978	11.2%
IT/MIS	3,776	3,840	(64)	-1.7%
TOTAL OPERATING EXPENSES	88,596	78,708	9,888	12.6%
 <i>RESERVE CONTRIBUTION</i>	 42,624	 39,624	 3,000	 7.6%
TOTAL EXPENSES	\$ 131,220	\$ 118,332	\$ 12,888	10.9%
NET REVENUE (LOSS)	\$ 0	\$ (6,660)	\$ 6,660	0.0%
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 98.50	\$ 83.50	\$ 15.00	increase
Ranch Master Association Assessment	136.70	124.10	12.60	increase
2024 Total Ranch Assessment/Mo.	\$ 235.20	\$ 207.60	\$ 27.60	increase

2024 Reserve Fund Notables

The Estates

- Gate Cameras \$15,000
- Street Sign Replacement \$6,770
- Landscape and Plant replacements \$4,122
- Gate Security Equipment \$4,528
- Pavement Management \$1,372

Terrace Homes East Operating Budget



1.14 Terrace Homes East				
77 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 148.20	\$ 126.65	\$ 21.55	17.0%
REVENUE	\$ 136,920	\$ 117,570	\$ 19,350	16.5%
EXPENSES				
<i>LANDSCAPE</i>	40,937	32,922	8,015	24.3%
<i>UTILITIES</i>	17,767	15,148	2,619	17.3%
<i>FACILITIES</i>	17,571	13,537	4,034	29.8%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,776	3,720	56	1.5%
TOTAL OPERATING EXPENSES	89,796	74,094	15,702	21.2%
<i>RESERVE CONTRIBUTION</i>	47,124	43,476	3,648	8.4%
TOTAL EXPENSES	\$ 136,920	\$ 117,570	\$ 19,350	16.5%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 148.20	\$ 126.65	\$ 21.55	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 284.90	\$ 250.75	\$ 34.15	<i>increase</i>

2024 Reserve Fund Notables

Terrace Homes East

- Gate Camera Replacement \$20,100
- Gate Cabling/Conduit Replacement \$4,000
- Playground renovation \$20,000
- Soft Surface \$15,546
- Spring Toys \$6,182
- Street Sign Replacement \$4,637
- Pavement Management \$1,000

Rosewood Operating Budget



2.15 Rosewood				
34 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 167.85	\$ 148.90	\$ 18.95	12.7%
REVENUE	\$ 68,488	\$ 60,744	\$ 7,744	12.7%
EXPENSES				
<i>LANDSCAPE</i>	15,057	10,852	4,205	38.7%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>UTILITIES</i>	5,235	4,906	329	6.7%
<i>FACILITIES</i>	4,891	4,635	256	5.5%
<i>IT/MIS</i>	3,776	3,840	(64)	-1.7%
TOTAL OPERATING EXPENSES	38,704	33,000	5,704	17.3%
<i>RESERVE CONTRIBUTION</i>	29,784	27,744	2,040	7.4%
TOTAL EXPENSES	\$ 68,488	\$ 60,744	\$ 7,744	12.7%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 167.85	\$ 148.90	\$ 18.95	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 304.55	\$ 273.00	\$ 31.55	<i>increase</i>

2024 Reserve Fund Notables

Rosewood

- Gate Cabling/Conduit Replacement \$4,000
- Gate Cameras \$19,530
- Firewise \$36,108
- Turf Renovation \$2,061
- Pavement Management \$325

Camelot Operating Budget



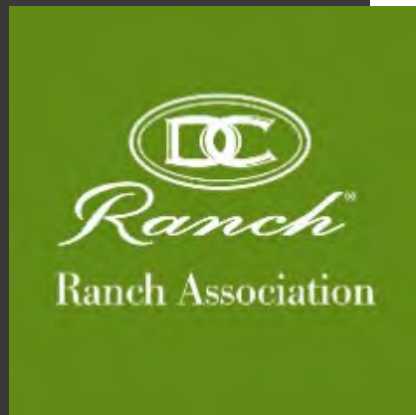
2.13-2.14 Camelot				
166 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 124.00	\$ 114.30	\$ 9.70	8.5%
REVENUE	\$ 247,043	\$ 227,669	\$ 19,374	8.5%
EXPENSES				
<i>LANDSCAPE</i>	60,958	45,454	15,504	34.1%
<i>UTILITIES</i>	33,269	40,427	(7,158)	-17.7%
<i>COMM PATROL & GATE ACCESS</i>	29,179	26,301	2,878	10.9%
<i>FACILITIES</i>	12,121	9,743	2,378	24.4%
<i>IT/MIS</i>	11,916	12,120	(204)	-1.7%
TOTAL OPERATING EXPENSES	<u>147,443</u>	<u>134,045</u>	<u>13,398</u>	<u>10.0%</u>
<i>RESERVE CONTRIBUTION</i>	99,600	93,624	5,976	6.4%
TOTAL EXPENSES	<u>\$ 247,043</u>	<u>\$ 227,669</u>	<u>\$ 19,374</u>	<u>8.5%</u>
NET REVENUE (LOSS)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
2024 RANCH ASSOCIATION ASSESSMENT/MO.		2023 Amount	Change Y/Y	
Neighborhood Assessment	\$ 124.00	\$ 114.30	\$ 9.70	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 260.70	\$ 238.40	\$ 22.30	<i>increase</i>

2024 Reserve Fund Notables

Camelot 2.13/2.14

- Gate Cabling/Conduit Replacement \$12,365
- Street Sign Replacement \$7,048
- Mailbox Replacement \$50,000
- Pavement Management \$2,048
- Gate 613 Operators \$18,547

Haciendas Operating Budget



2.17 Haciendas				
89 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 125.85	\$ 106.10	\$ 19.75	18.6%
REVENUE	\$ 134,426	\$ 113,338	\$ 21,088	18.6%
EXPENSES				
<i>LANDSCAPE</i>	42,825	33,822	9,003	26.6%
<i>UTILITIES</i>	28,273	21,050	7,223	34.3%
<i>FACILITIES</i>	11,383	10,615	768	7.2%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,752	3,840	(88)	-2.3%
TOTAL OPERATING EXPENSES	95,978	78,094	17,884	22.9%
<i>RESERVE CONTRIBUTION</i>	38,448	35,244	3,204	9.1%
TOTAL EXPENSES	\$ 134,426	\$ 113,338	\$ 21,088	18.6%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 125.85	\$ 106.10	\$ 19.75	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 262.55	\$ 230.20	\$ 32.35	<i>increase</i>

2024 Reserve Fund Notables

Haciendas

- Gate Cabling and Conduit Replacement \$4,000
- Firewise \$115,891
- Street Sign Replacement \$5,286
- Pavement Management \$1,478

Market Street Villas Operating Budget



2.3 Market Street Villas				
90 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 525.95	\$ 503.30	\$ 22.65	4.5%
REVENUE	\$ 568,050	\$ 543,538	\$ 24,512	4.5%
EXPENSES				
<i>LANDSCAPE</i>	111,507	109,416	2,091	1.9%
<i>INSURANCE</i>	103,224	99,804	3,420	3.4%
<i>UTILITIES</i>	35,623	37,854	(2,231)	-5.9%
<i>FACILITIES</i>	18,407	19,257	(850)	-4.4%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>IT/MIS</i>	3,776	3,840	(64)	-1.7%
TOTAL OPERATING EXPENSES	282,282	278,938	3,344	1.2%
<i>RESERVE CONTRIBUTION</i>	285,768	264,600	21,168	8.0%
TOTAL EXPENSES	\$ 568,050	\$ 543,538	\$ 24,512	4.5%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 525.95	\$ 503.30	\$ 22.65	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 662.65	\$ 627.40	\$ 35.25	<i>increase</i>

2024 Reserve Fund Notables

Market Street Villas

• Exterior Painting	\$231,750
• Roof Inspections	\$11,330
• Shade Awning Replacement	\$23,500
• Firewise	\$55,889
• Street Sign Replacement	\$6,026
• Exterior Garage Repair/Replace	\$97,334

Montelana Operating Budget



2.10 Montelana				
46 Units				
	<u>2024</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 167.00	\$ 159.05	\$ 7.95	5.0%
REVENUE	\$ 92,190	\$ 87,808	\$ 4,382	5.0%
EXPENSES				
<i>LANDSCAPE</i>	34,405	31,668	2,737	8.6%
<i>UTILITIES</i>	10,124	12,155	(2,031)	-16.7%
<i>COMM PATROL & GATE ACCESS</i>	9,745	8,767	978	11.2%
<i>FACILITIES</i>	6,816	5,710	1,106	19.4%
<i>IT/MIS</i>	3,776	3,840	(64)	-1.7%
TOTAL OPERATING EXPENSES	<u>64,866</u>	<u>62,140</u>	<u>2,726</u>	<u>4.4%</u>
<i>RESERVE CONTRIBUTION</i>	27,324	25,668	1,656	6.5%
TOTAL EXPENSES	<u>\$ 92,190</u>	<u>\$ 87,808</u>	<u>\$ 4,382</u>	<u>5.0%</u>
NET REVENUE (LOSS)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
2024 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 167.00	\$ 159.05	\$ 7.95	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 303.70	\$ 283.15	\$ 20.55	<i>increase</i>

2024 Reserve Fund Notables Montelena

- Gate Operators \$18,550
- Gate Cabling and Conduit Replacement \$4,122
- Road Management Consulting \$670
- Street Sign Replacement \$3,555
- Turf Renovation \$2,060

Windgate Operating Budget



Silverleaf - Windgate				
382 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 276.50	\$ 257.60	\$ 18.90	7.3%
REVENUE	\$ 1,276,806	\$ 1,189,620	\$ 87,186	7.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	369,927	308,531	61,396	19.9%
<i>LANDSCAPE</i>	235,734	237,209	(1,475)	-0.6%
<i>UTILITIES</i>	154,189	153,607	582	0.4%
<i>FACILITIES</i>	104,800	108,825	(4,025)	-3.7%
<i>ADMINISTRATION</i>	10,000	-	10,000	100.0%
<i>IT/MIS</i>	7,212	5,500	1,712	31.1%
<i>INSURANCE</i>	720	756	(36)	-4.8%
TOTAL OPERATING EXPENSES	<u>882,582</u>	<u>814,428</u>	<u>68,154</u>	<u>8.4%</u>
<i>RESERVE CONTRIBUTION</i>	394,224	375,192	19,032	5.1%
TOTAL EXPENSES	<u>\$ 1,276,806</u>	<u>\$ 1,189,620</u>	<u>\$ 87,186</u>	<u>7.3%</u>
NET REVENUE (LOSS)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 276.50	\$ 257.60	\$ 18.90	increase
Ranch Master Association Assessment	136.70	124.10	12.60	increase
2024 Total Ranch Assessment/Mo.	\$ 413.20	\$ 381.70	\$ 31.50	increase

2024 Reserve Fund Notables

Windgate

- Gate Cabling and Conduit Replacement \$24,000
- Gate Security equipment \$8,328
- Park equipment refurbishment \$82,433
- Sidewalk repair \$77,281
- Street Sign Replacement \$43, 521
- Ethel's Garden feature surface replacement \$30,000

Arcadia Operating Budget



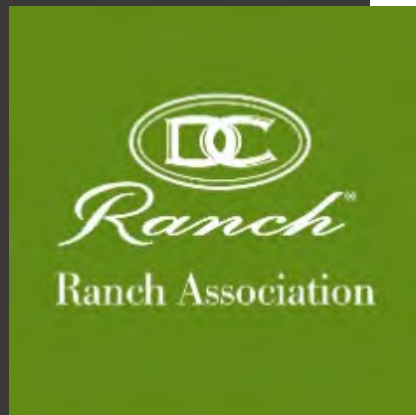
Silverleaf - Arcadia				
	123 Units			
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 422.40	\$ 396.85	\$ 25.55	6.4%
REVENUE	\$ 632,685	\$ 594,537	\$ 38,148	6.4%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	237,303	213,938	23,365	10.9%
<i>LANDSCAPE</i>	101,802	99,599	2,203	2.2%
<i>UTILITIES</i>	46,146	50,137	(3,991)	-8.0%
<i>FACILITIES</i>	32,246	34,275	(2,029)	-5.9%
<i>IT/MIS</i>	10,732	8,380	2,352	28.1%
<i>INSURANCE</i>	768	756	12	1.6%
TOTAL OPERATING EXPENSES	428,997	407,085	21,912	5.4%
<i>RESERVE CONTRIBUTION</i>	203,688	187,452	16,236	8.7%
TOTAL EXPENSES	\$ 632,685	\$ 594,537	\$ 38,148	6.4%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 422.40	\$ 396.85	\$ 25.55	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 559.10	\$ 520.95	\$ 38.15	<i>increase</i>

2024 Reserve Fund Notables

Silverleaf Arcadia

- Asphalt Sealcoat \$76,792
- Gate Cabling/Conduit Replacement \$24,720
- Paint Entry and Exit Gates \$2,911
- Park Structure Repair/paint \$6,180
- Street Sign Replacement \$9,932
- Road Management Consulting \$3,330

Horseshoe Operating Budget



Silverleaf - Horseshoe				
	300 Units			
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 186.50	\$ 171.40	\$ 15.10	8.8%
REVENUE	\$ 680,585	\$ 625,853	\$ 54,732	8.7%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	287,891	258,616	29,275	11.3%
<i>LANDSCAPE</i>	84,581	82,499	2,082	2.5%
<i>FACILITIES</i>	63,313	65,972	(2,659)	-4.0%
<i>UTILITIES</i>	55,680	53,522	2,158	4.0%
<i>IT/MIS</i>	6,912	5,200	1,712	32.9%
<i>INSURANCE</i>	768	756	12	1.6%
TOTAL OPERATING EXPENSES	499,145	466,565	32,580	7.0%
<i>RESERVE CONTRIBUTION</i>	181,440	159,288	22,152	13.9%
TOTAL EXPENSES	\$ 680,585	\$ 625,853	\$ 54,732	8.7%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 186.50	\$ 171.40	\$ 15.10	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 323.20	\$ 295.50	\$ 27.70	<i>increase</i>

2024 Reserve Fund Notables

Horseshoe Canyon

- Gate Cabling and Conduit Replacement \$24,000
- Gate Operators \$15,000
- Guardhouse Interior Refurbishment \$20,608
- Retaining Wall Masonry Repairs \$15,456
- Street Sign Replacement \$23,581
- Road Management Consulting \$6,261

Sterling Villas Operating Budget



Sterling Villas 1-16				
16 Units				
	2024	2023	Variance	Percent Variance
ASSESSMENT	\$ 183.00	\$ 156.90	\$ 26.10	16.6%
REVENUE	\$ 35,135	\$ 30,120	\$ 5,015	16.7%
LESS: EQUITY ADJUSTMENT	-	-	-	0.0%
TOTAL REVENUE	\$ 35,135	\$ 30,120	\$ 5,015	16.7%
EXPENSES				
<i>LANDSCAPE</i>	16,366	11,805	4,561	38.6%
<i>UTILITIES</i>	4,657	4,529	128	2.8%
<i>FACILITIES</i>	7,152	7,354	(202)	-2.7%
<i>IT/MIS</i>	-	-	-	0%
TOTAL OPERATING EXPENSES	28,175	23,688	4,487	18.9%
 <i>RESERVE CONTRIBUTION</i>	 6,960	 6,432	 528	 8.2%
TOTAL EXPENSES	\$ 35,135	\$ 30,120	\$ 5,015	16.7%
NET REVENUE (LOSS)	\$ 0	\$ 0	\$ 0	0.0%
2024 RANCH ASSOCIATION ASSESSMENT/MO.		2023 Amount	Change Y/Y	
Sterling Villas Neighborhood Assessment	\$ 183.00	\$ 156.90	\$ 26.10	increase
Horseshoe Neighborhood Assessment	186.50	171.40	15.10	increase
Ranch Master Association Assessment	136.70	124.10	12.60	increase
2024 Total Ranch Assessment/Mo.	\$ 506.20	\$ 452.40	\$ 53.80	increase

2024 Reserve Fund Notables

Sterling Villas

- Firewise \$9,852
- Landscape Pot Refresh \$5,152

Pioneer Operating Budget



Pioneer				
49 Units				
	<u>2024</u>	<u>2023</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 99.35	\$ 86.00	\$ 13.35	15.5%
REVENUE	\$ 58,408	\$ 50,568	\$ 7,840	15.5%
EXPENSES				
<i>LANDSCAPE</i>	24,225	18,385	5,840	31.8%
<i>FACILITIES</i>	5,333	4,175	1,158	27.7%
<i>UTILITIES</i>	4,154	4,488	(334)	-7.4%
<i>IT/MIS</i>	-	-	-	0.0%
TOTAL OPERATING EXPENSES	<u>33,712</u>	<u>27,048</u>	<u>6,664</u>	<u>24.6%</u>
<i>RESERVE CONTRIBUTION</i>	24,696	23,520	1,176	5.0%
TOTAL EXPENSES	<u>\$ 58,408</u>	<u>\$ 50,568</u>	<u>\$ 7,840</u>	<u>15.5%</u>
NET REVENUE (LOSS)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>2024 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2023 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 99.35	\$ 86.00	\$ 13.35	<i>increase</i>
Ranch Master Association Assessment	136.70	124.10	12.60	<i>increase</i>
2024 Total Ranch Assessment/Mo.	\$ 236.05	\$ 210.10	\$ 25.95	<i>increase</i>

2024 Reserve Fund Notables

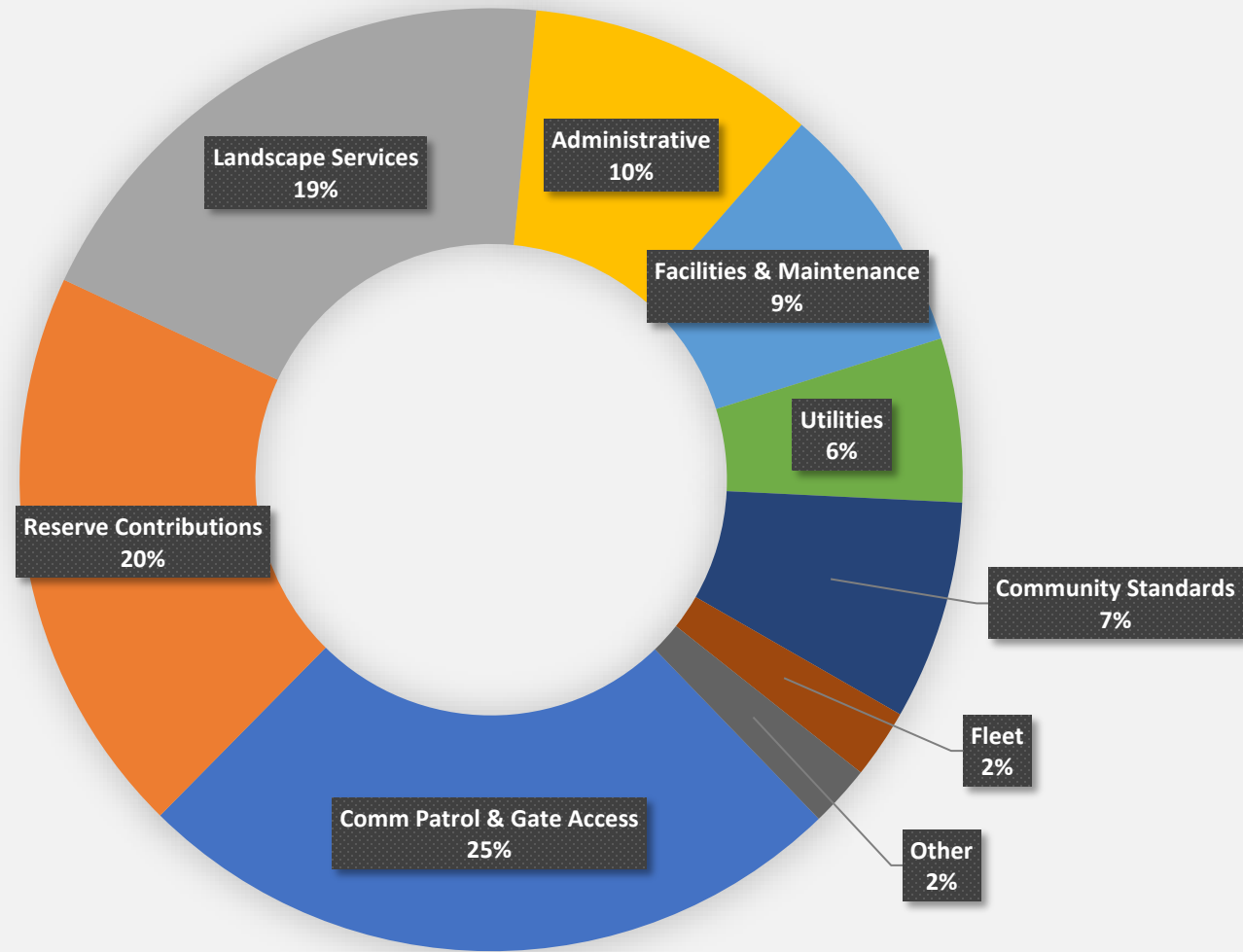
Pioneer

- Asphalt Sealcoat \$13,857
- Firewise \$47,497
- Street Sign Replacement \$3,245
- Road Management Consulting \$600



The Final Numbers at a Glance

2024 Consolidated Expenses



2023/2024 Assessment Comparison



Ranch Master
Desert Haciendas
Terrace West
Park & Manor
Country Club
Estates
Terrace East
Rosewood
Camelot
Haciendas
Market St Villas
Montelana
Windgate
Arcadia
Horseshoe
Sterling
Pioneer

2023 Assessments		
<u>Neighborhood</u>	<u>Master</u>	<u>Total</u>
\$ -	\$ 124.10	\$ 124.10
164.80	124.10	288.90
126.50	124.10	250.60
111.05	124.10	235.15
166.15	124.10	290.25
83.50	124.10	207.60
126.65	124.10	250.75
148.90	124.10	273.00
114.30	124.10	238.40
106.10	124.10	230.20
503.30	124.10	627.40
159.05	124.10	283.15
257.60	124.10	381.70
396.85	124.10	520.95
171.40	124.10	295.50
328.30	124.10	452.40
86.00	124.10	210.10

2024 Assessments				
<u>Reserve</u>	<u>Operating</u>	<u>Neighborhood</u>	<u>Master</u>	<u>Total</u>
\$ 6.50	\$ 130.20	\$ -	\$ 136.70	\$ 136.70
75.00	101.20	176.20	136.70	312.90
55.50	89.75	145.25	136.70	281.95
63.00	63.85	126.85	136.70	263.55
47.25	132.75	180.00	136.70	316.70
32.00	66.50	98.50	136.70	235.20
51.00	97.20	148.20	136.70	284.90
73.00	94.85	167.85	136.70	304.55
50.00	74.00	124.00	136.70	260.70
36.00	89.85	125.85	136.70	262.55
264.60	261.35	525.95	136.70	662.65
49.50	117.50	167.00	136.70	303.70
86.00	190.50	276.50	136.70	413.20
138.00	284.40	422.40	136.70	559.10
50.40	136.10	186.50	136.70	323.20
36.25	333.25	369.50	136.70	506.20
42.00	57.35	99.35	136.70	236.05

2023/2024 Assessment Comparison



<u>Neighborhood</u>
Ranch Master
Desert Haciendas
Terrace West
Park & Manor
Country Club
Estates
Terrace East
Rosewood
Camelot
Haciendas
Market St Villas
Montelana
Windgate
Arcadia
Horseshoe
Sterling
Pioneer

<u>\$ Change in Reserves</u>	<u>% Change in Reserves</u>
\$ 0.50	8.33%
5.00	7.14%
4.10	7.98%
13.95	28.44%
2.80	6.30%
2.25	7.56%
3.95	8.40%
5.00	7.35%
3.00	6.38%
3.00	9.09%
19.60	8.00%
3.00	6.45%
4.15	5.07%
11.00	8.66%
6.15	13.90%
2.75	8.21%
2.00	5.00%

<u>\$ Change in Operating</u>	<u>% Change in Operating</u>
\$ 12.10	10.25%
6.40	6.75%
14.65	19.51%
1.85	2.98%
11.05	9.08%
12.75	23.72%
17.60	22.11%
13.95	17.24%
6.70	9.96%
16.75	22.91%
3.05	1.18%
4.95	4.40%
14.75	8.39%
14.55	5.39%
8.95	7.04%
38.45	13.04%
11.35	24.67%

<u>Total Assessment</u>	<u>\$ Change</u>	<u>% Change</u>
\$ 136.70	\$ 12.60	10.15%
312.90	24.00	8.31%
281.95	31.35	12.51%
263.55	28.40	12.08%
316.70	26.45	9.11%
235.20	27.60	13.29%
284.90	34.15	13.62%
304.55	31.55	11.56%
260.70	22.30	9.35%
262.55	32.35	14.05%
662.65	35.25	5.62%
303.70	20.55	7.26%
413.20	31.50	8.25%
559.10	38.15	7.32%
323.20	27.70	9.37%
506.20	53.80	11.89%
236.05	25.95	12.35%



Questions?



Adjournment